

The revenues from the automobile and gasoline tax for six months of this year amounted to \$3,222,741.71. It will go over four millions for the full year, without the increase in gasoline tax recommended.

We will require the two cent additional tax on gasoline to help pay the interest on the new bond issue, contribute to the sinking fund and maintain the roads.

I do not think it necessary to debate the road program. It is approved by the sovereign people. The benefits are universally recognized.

CONSTITUTIONAL AMENDMENTS LIMITING THE STATE'S DEBT, AND PROTECTING THE
SINKING FUND

I most earnestly recommend an amendment to the Constitution of the State limiting the power of the State to contract indebtedness to 5 per cent of the assessed value of the State's property; and a second amendment that when the General Assembly sets up a sinking fund no succeeding General Assembly shall divert it to any other purpose. I am sure, gentlemen, that these amendments ought to be submitted to the people, and that with this done and the sinking fund suggested set up, we will be able to safely carry through the whole progressive program upon a lower interest basis than without them.

And then a good many of our best citizens fear that without a limitation on the State's power to contract debt we might go too far some time. The sinking fund statutes should confine the investment of it to the bonds of the United States, the States and sub-divisions, but should prohibit loaning it to any department of the State Government. It would be safe to permit buying in our own bonds and holding them as other bonds are held.

But, gentlemen, I do not think the duty of your body will be fully met by fortifying and extending the program so gloriously inaugurated by your great predecessor, splendid as that would undoubtedly be. There are other things we must do if we are true to the great spirit of progress under which we are moving.

COMPLETED PROGRAM FOR THE CONTINUED PROGRESS OF THE STATE SUGGESTED

I make the following further recommendations, gentlemen, which I think will "round out" as complete a program for the State's development and upbuilding as I can now vision.

GAME AND COMMERCIAL FISH INDUSTRY

We ought to replenish our great streams throughout the State with game fish, and give modern and up-to-date cultivation to our fish, oyster and other sea-food industries.

The North Carolina inland navigable waters are the finest in the Republic for sea foods, if not in the world. They belong to the State of North Carolina, subject to the United States Government's rights in navigation upon them. My descriptive powers are insufficient to convey to those of you who are not familiar with them a general conception of the immensity of these waters.